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Committed to pave the way for digital readiness

Sharif Haron in Singapore

LEADERS of the 10 Asean member countries signed yesterday the e-Asean Framework Agreement, thus marking the beginning of a collective effort to plug the grouping into the global networked economy.

With the pact, member countries have committed themselves to an implementation schedule to achieve digital readiness for this region of 500 million consumers, to develop the basis for Asean's competitiveness into the future.

The agreement was signed by Prime Minister Datuk Seri Dr Mahathir Mohamad and his Asean counterparts.

It acts as a binding mechanism for actions towards digital readiness in six areas - connectivity, local content, a seamless environment for electronic commerce, a common marketplace for information communications technology (ICT) goods and services, human resource development, and e-governance.

Its signing is seen not only as a bold move by Asean to enhance competitiveness in the ICT sector and liberalisation of trade in ICT products, but also towards reducing the digital divide among member countries.

There have been concerns expressed on whether Asean would turn into a two-tier grouping, with the second tier comprising the less ICT enabled countries of Myanmar, Cambodia, Laos and Vietnam.

"The whole exercise is to prevent digital divide among members," Singapore's Minister for Trade and Industry George Yeo said during an Asean economic ministers' joint Press conference.

"Those who are ahead like Malaysia and Singapore can help those who are behind," Yeo added.

The immediate response from the less technologically developed members was enthusiastic.

Cambodian Minister of Commerce Cham Prasidh said with the agreement, his country would set in place the legal framework for e-commerce, encourage private sector investments in affordable Internet services, and take steps to reduce tariffs on IT products, among others.

Vietnamese Trade Minister Vu Khoan said Vietnam would be actively building its e-infrastructure, and developing its human resource accordingly.

"We look forward to getting assistance from Singapore and Malaysia ... We will also be focusing on software development."

With the agreement, Asean member countries bind themselves to facilitate interconnectivity and technical interoperability among their ICT systems leveraging existing national networks and evolving these into a regional information infrastructure.

To begin with, a private sector-led Asean Internet Service Provider (ISP) Forum will be convened to explore ways of promoting more efficient flow of Internet traffic. This includes regional mirroring and hubbing, and the setting up of national and regional Internet exchanges and Internet gateways.

Together with this, an effort is underway to encourage the production of regional and locally relevant content.

To foster growth of e-commerce, Asean governments commit themselves to create a seamless favourable legal and regulatory environment to get buyers and sellers to doing business on-line.

This task involves measures to promote trust and confidence in the Internet, including the establishment of a system of mutual recognition of digital signatures; secure electronic transactions, payments and settlements; protection of intellectual property rights; promoting personal data protection and consumer privacy; and dispute settlement mechanisms.

To facilitate the flow of ICT goods and services, and promote investments in the sector, duties and non-tariff barriers on intra-Asean trade in ICT products will be eliminated in three tranches.

Liberalisation for most goods will be completed over a three-year period beginning Jan 1, 2003, except for Cambodia, Laos, Myanmar and Vietnam which will undertake the same measures beginning Jan 2008.

To promote an e-Asean community, member countries will encourage the development of skills and proficiency in using ICT through training and exchange of experiences.

With the agreement, member governments are also committed to deliver more government services using ICT.

The e-Asean Framework Agreement also provides for the implementation of pilot projects to demonstrate the benefits of ICT and thus generate enthusiasm and support for actions to achieve digital readiness.

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